THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Yes.

(b) and (c) Details cannot be divulged at this stage in the interest of operations.

Income tax recovery from Modi Group

118. SHRI GURUDAS DAS GUPTA:

SHRI CHATURANAN MISHRA:

SHRI MOHAMMED AFZAL alias MEEM AFZAL:

Will the Minister of FINANCE be pleased to state:

(a) whether in 1983 Godfray Philips (India) Ltd. of the Modi Group was asked to pay Rs. 150 crores in income-tax and excise duty;

(b) if so, what are the details thereof;

(c) what steps have been taken to recover the amount;

(d) what is the stage at which the matter stands;

(e) whether Government have received any communication in this regard from a Member of Parliament alleging collusion between the and "certain people in the Central Board for Direct Taxes"; and

(f) if so, what are the details thereof and what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): *Income tax*: (a) No, Sir.

(b) Does not arise.

(c) Not required.

(d) Not applicable.

(e) and (f) Communication from various Members of Parliament have been received alleging that the Income-tax Department is not enforcing recovery of income-tax arrears outstanding against M/s. Godfray Philips (India) Ltd. and that the assets attached by the Income-tax Department have been released by the DGIT (Inv), Bombay under instructions from Delhi. It has also been alleged that assessee's petitions for assessment years 1984-85 to 1986-87 have still not been disposed of by the Settlement Commission since November, 1987.

The allegations have been duly examined by the CBDT. Only one of the assets of the value of Rs. 3.10 crores has been released after ensuring that the interest of revenue are protected. The order of attachment is still in operation against remaining assets valued at Rs. 41 crores approximately. This is sufficient to cover the expected income-tax liability of the assessee. For assessment year 1988-89 the ITAT has granted stay upto 30.12.1993 against collection demand. Regarding matters before the Settlement Commission, the Commission has not been able to proceed with the case in view of the stay granted by the Hon'ble Bombay High Court.

Excise duty:

(a) to (f) The information is being collected & will be laid on the table of the House.

Aid India consortium loan to India

119. SHRI N. GIRI PRASAD:

SHRI N. E. BALARAM:

CHOWDHRY HARI SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Aid India Consortium has agreed to grant a 7.4 billion dollar loan to India;

(b) if so, what are the details thereof;

(c) whether it is a fact that a large chunk of aid pledged in the past, remains unutilised; and

(d) if so, what are the reasons for going for fresh loan?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) At the Aid India Consortium Meeting held in Paris on 1-2 July, 1993, the Members of the Consortium had indicated an aid commitment is U.S. $7.4 billion for 1993-94, of which fast disbursing component of U.S. $1.96 billion.

(c) A large chunk of aid received in the past remained unutilised as most of the aid is tied to specific projects and the disbursements are therefore linked to the project implementation schedule. The pace of actual implementation varies from project to project. However, the loan amount not utilised during a particular financial year does not normally lapse and would be carried forward for utilisation in the subsequent years.

(d) Fresh foreign borrowings are resorted to for meeting the foreign exchange requirement of various projects and non-project, needs of the economy.

Prices of cosmetics and toiletries

120. SHRI CHATURANAN MISHRA:

SHRI N. E. BALRAM:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that in the case of cosmetics and toiletries which had been given more than 50 per cent in the excise duty, the prices have gone up and the benefits have not been passed on to consumers;

(b) whether Government are aware that the price of tea has also gone up considerably;

(c) if so, whether any steps have been taken in the matter; and

(d) if so, what are the details thereof and with what result?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) Wholesale price of well known brands of Cosmetics and toiletries at the factory gate had shown reduction after the 1993-94 budget. However wholesale price of tea had gone up in the case of some brands prior to the 1993 Budget, duty incidence on tea was approximately one per cent to two per cent of the wholesale price at the factory gate.

(c) and (d) There is no legal mechanism, except in cases where there is price control to see that reduction in excise duty is passed on to the consumers. However, persuasive action by way of dialogue with the concerned segment of industry is initiated, wherever there is upward trend in wholesale price, in spite of reduction in excise duty, as excise duty is one of the factors in the determination of wholesale price of goods, in a competitive market.

Computerisation in Banks

121. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that as many as 400 branches of various public sector banks are likely to be fully computerised in next-two or three years as part of the banking sector reforms to improve efficiency and customer services reported in the Economic Times, New Delhi dated the 15.7.1993;

(b) if so, when the process of computerisation of ledgers in the banks had actually started and what is the number of branches which have been fully computerised so far; and

(c) whether Government have ensured/worked out that there would be retrenchment of bank workers due to computerisation of accounts?